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**USTR RECOMMENDS GSP SUSPENSION OF BELARUS
and
ANNOUNCES TERMINATION OF WORKER RIGHTS REVIEW OF THAILAND**

United States Trade Representative Charlene Barshefsky announced today that President Clinton has decided to suspend Belarus's benefits under the Generalized System of Preferences (GSP) program. This decision was based on a finding by an interagency committee, chaired by USTR, that Belarus has not taken sufficient steps to conform to internationally recognized worker rights. The GSP program provides duty-free treatment on a large number of tariffs from developing countries in order to promote economic development, maintain U.S. competitiveness, and reinforce the United States' trade policy agenda.

"One of the fundamental criteria for GSP eligibility is evidence that a country is taking steps to provide internationally recognized worker rights," Ambassador Barshefsky said. "We have, for some time, been reviewing worker rights problems in Belarus concerning freedom of association, and the right to organize and bargain collectively. Unfortunately, the Government of Belarus continues to suppress trade union rights and harass union leaders. We therefore recommended that Belarus be suspended from the GSP program."

In evaluating the worker rights situation in Belarus, the GSP committee noted that trade preferences were extended to the Central and Eastern European countries after the fall of the Berlin Wall, and to the Newly Independent States, including Belarus, following the collapse of Communism in the early 1990s. The objective of these GSP designations was to assist the former communist countries in making the transition to democracy, pluralism, and the market economy.

Ambassador Barshefsky also announced the termination of the GSP investigation concerning the provision of core worker rights in Thailand. With enactment of the new State Enterprises Labor Relations Act (SELRA) in February, which subsequently received Royal Assent and was published in the Royal Gazette in Bangkok, the administration of Thai Prime Minister Chuan has succeeded in re-instituting fundamental worker rights which had been denied to Thai workers

employed by state enterprises for the past nine years.

“We welcome the important steps taken by Thailand to restore key worker rights to employees in government-controlled companies, measures which have been absent in Thailand for nearly a decade,” said Ambassador Barshefsky. “We are also encouraged that Thailand is considering further actions that will soon allow unions representing state enterprise workers to associate with private sector labor organizations.”

Background

Belarus:

In 1997, the AFL-CIO filed a petition with the Office of the U.S. Trade Representative to remove eligibility from the Republic of Belarus to participate in the Generalized System of Preferences (GSP). The petition claimed Belarus had failed to afford internationally recognized worker rights in accordance with the requirements of Section 502(b)(7) of the Trade Act of 1974, as amended. U.S. officials met repeatedly with their Belarus counterparts but were unable to persuade the Government of Belarus to make sufficient improvements in the worker rights situation.

Review by the inter-agency GSP committee corroborated the key allegations of the AFL-CIO. As written, the Constitution of Belarus upholds the right of workers (except state security and military personnel) to form and join independent unions on a voluntary basis and to carry out actions in defense of worker rights, including the right to strike. However, these rights are not respected in practice, and independent trade unions are suppressed.

Thailand:

Following the coup in Thailand in 1991, the interim government suspended the ability of state enterprise workers to enjoy key worker rights including the right to organize, to strike and to bargain collectively. In response to this action, the AFL-CIO in 1991 filed a GSP petition which was accepted in 1992. Since that time, Thai labor practices have been the subject of an ongoing review under the worker rights provisions of the GSP statute pending attempts by successive administrations in Thailand to enact new legislation restoring these rights.

The GSP program grants duty-free treatment to specified products that are imported from more than 140 designated developing countries and territories.